

# **DMA ADMINISTRATIVE LETTER NO: 18-13, PROVIDER INSTRUCTIONS FOR PRESUMPTIVE ELIGIBILITY FOR PREGNANT WOMEN**

**DATE:** May 28, 2014

**SUBJECT:** Provider Instructions for Determining  
Presumptive Eligibility for Pregnant Women

**DISTRIBUTION:** Enrolled Presumptive Eligibility Providers  
County Directors of Social Services  
Medicaid Eligibility Staff

## **I. BACKGROUND**

Effective January 1, 2014, the Patient Protection and Affordable Care Act (ACA) of 2010 provides for the simplification and alignment of the eligibility and enrollment process for several categories of pregnant women, including pregnant women who are determined to be presumptively eligible by qualified providers.

The purpose of this letter is to provide procedures to qualified providers in determining Presumptive Eligibility for pregnant women because of changes in federal and state policy.

This letter obsoletes DMA Administrative Letter No. 04-08 and Administrative Letter No. 04-08, Addendums 1-4.

## **II. PROVIDER ENROLLMENT PROCESS**

Providers that elect to make presumptive eligibility determinations may apply by contacting DHHS/DMA Provider Services:

- A. by phone at (919) 855-4050, or
- B. by written request faxed to (919) 715-8548, or
- C. by mailing a written request to: DHHS/DMA Provider Services, 2501 Mail Service Center, Raleigh, NC 27699

## **III. APPLICANT/BENEFICIARY ELIGIBILITY REQUIREMENTS**

In order for a pregnant woman to be authorized presumptively she must:

- A. Attest to pregnancy.
- B. Attest to US citizenship or eligible immigration status.
- C. Attest to North Carolina residency or intent to reside in North Carolina.
- D. Not be an inmate of a public institution

- E. Not be receiving Medicaid in another aid/program category, county, or state.
- F. The pregnant woman's household must have gross income equal to or less than 196% of the federal poverty level for the family size.  
  
The unborn(s) is included in the family size and the amount of household income is based on the pregnant woman's statement.
- G. Presumptive eligibility is limited to one presumptive period per pregnancy.

#### **IV. PROVIDER INSTRUCTIONS**

- A. Explain the Medicaid program to the pregnant woman
  - 1. The pregnant woman may be eligible to receive Medicaid for pregnancy-related services if countable household income is equal to or less than 196% of the federal poverty levels listed in IV.F., Presumptive Income Limit Chart.
  - 2. If she is determined presumptively eligible she will be eligible for Medicaid to pay for ambulatory prenatal services for a limited amount of time.
  - 3. The presumptive eligibility period:
    - a. Begins on the day the pregnant woman is determined presumptively eligible by the qualified provider, and,
    - b. Ends on one of the following dates, depending on whether a regular Medicaid application is made:
      - (1). On the day the county dss makes an eligibility determination if the woman applies for Medicaid under any program, or
      - (2). On the last day of the month following the month the pregnant woman is determined presumptively eligible by the provider if she does not apply for Medicaid by that date.
  - 4. Advise the individual she may receive Medicaid services beyond the presumptive period by applying for regular Medicaid. Additional information will be necessary to establish ongoing Medicaid. Information includes but is not limited to: income, citizenship, identity, state residence, etc.
  - 5. The pregnant woman must apply for regular Medicaid to receive benefits beyond the presumptive period. She may apply using any of the following methods:
    - a. The DMA-5200, Application for Health Coverage & Help Paying Costs maybe submitted in person or by mail to the individual's local county dss. The application can be downloaded and printed:  
<http://www.ncdhhs.gov/dma/medicaid/applications.htm>

- b. An individual can apply for benefits online through ePASS (Electronic Pre-Assessment Screening Service) at: <https://www.epass.nc.gov>. ePASS is a secure, web-based self service tool that allows the applicant to submit a Medicaid/NCHC application online
6. Advise the pregnant woman that she will receive a Medicaid Identification card and it is her responsibility to notify the provider of her Medicaid card number.

B. Conduct the interview

Complete the DMA-5032, Presumptive Eligibility Determination Form, to determine eligibility. (**DMA-5032 must be signed by the applicant to be considered complete**)

1. Ask the individual if she has a current Medicaid case or pending Medicaid application.
  - a. If active, an application is not necessary. Refer the individual to the local county dss to report changes.
  - b. If pending application exists, a presumptive application may be completed. If determined presumptively eligible, coverage can continue until the full Medicaid determination is complete.
2. When interviewing the applicant about family size income, it is important to obtain accurate and complete information. Ask open-ended questions, such as:
  - a. Where do you work?
  - b. Where does your spouse work?
  - c. Do you expect to file taxes?
  - d. Do you expect to be claimed as a tax dependent?
  - e. How do you get the money to pay your bills?
  - f. Who helps you pay your bills?
  - g. Do you or your spouse receive Social Security or other government payments?
  - h. Do you or your spouse receive unemployment benefits?

C. Establish Medicaid household and family size for the pregnant woman

1. The Medicaid household is called the “Modified Adjusted Gross Income (MAGI) Household”. The MAGI household is determined based on whether the individual is a tax filer, tax dependent, or a non-tax filer. Each household member has their own MAGI household.

Refer to [DMA Administrative Letter No: 06-13](#) for household construction and the MAGI household composition chart.

2. The family size is the number of individuals in the MAGI household. The number in the family size will determine what income limit is used for Medicaid eligibility.
3. The unborn(s) is always included in the pregnant woman's household.

D. Determine total countable income for the pregnant woman

1. Whose income counts when determining household income

These basic rules are to be used in determining whose income counts in the tax filer or non-filer household.

- a. When using a tax household, do not count income of tax dependents unless they expect to file a tax return.
- b. When using a non-filer household, if the parent(s) is in the household, do not count the income of the child unless the child expects to file taxes.
- c. When using a non-filer household, if the parent is not in the household, count income of children under 19 and of all siblings under age 19 for all of them. Also, include income of a spouse of the child.
- d. Counting income depends on the type of household (tax or non-filer) and which individual is involved. See chart below for application of the rules.

## Counting Income Tax Household

	Tax Filer(s)	Tax Dependent – child of tax filer – does not meet an exception
Tax Household	Count income of tax filer and spouse in home, if not in tax household.  Only count income of tax dependents who expect to file a tax return.	Count income of tax filer(s)  Count income of the tax dependent applicant, and other tax dependents who expect to file a tax return. Count the income of the tax dependent’s spouse if not included in the tax household.

## Counting Income Non Filer

	Tax Dependent – not child of tax filer (non-filer rules)	Adult – age 19 or older	Medicaid age child – under age 19
Non-filer rules	Count income for own household regardless of whether they expect to file taxes and count income of live-in spouse.  If the tax dependent has children under age 19 in the household, count income of children under age 19 if they expect to file return.  If the tax dependent is under age 19 ( see last column for Medicaid age child-under age 19)	Count income of applicant and spouse, if in home.  Count income of children in household under 19 only if expect to file return	If parent(s) is <b>not</b> in the household count income for own household regardless of whether they expect to file taxes and count income of live in spouse and live in siblings under age 19.  If the Medicaid age child has children under age 19, count income of children under age 19 if expect to file return.  If parent(s) is in the household, count the income of the parent(s). Do not count income of the child or siblings under age 19 unless the child/siblings expects to file a tax return.

### 2. What income is counted

Once the Medicaid household composition is established, determine the total countable income for the pregnant woman’s household.

#### a. Countable Income

Countable income includes income such as, but not limited to:

- (1) Wages/tips
- (2) Unemployment benefits
- (3) Pensions and annuities
- (4) Military retirement/pension (Do not count veteran’s benefits)
- (5) Income from business or personal services
- (6) Interest
- (7) Alimony received
- (8) Social Security benefits (RSDI)
- (9) Foreign earnings excluded from taxes
- (10) Lump sums in the month received
- (11) Self-Employment

b. Non-Countable Income

Do not count the following income:

- (1) Child support
- (2) Veteran's benefits (Count military retirement/pension)
- (3) Supplemental Security Income (SSI)
- (4) Worker's Compensation
- (5) Gifts and inheritances
- (6) Scholarships, awards, or fellowship grants used for educational expenses. Any amount used for living expenses is countable income (room and board).
- (7) Lump sums, except in the month received
- (8) Certain Native American and Alaska Native income.

c. Income Calculation

Convert the average income to a gross monthly amount.

- (1) If paid weekly, multiply by 4.3.
- (2) If paid biweekly, multiply by 2.15.
- (3) If paid semimonthly, multiply by 2.
- (4) If paid monthly, use the monthly gross.

Example: Applicant receives income biweekly. On 9/7, she received \$218.75 gross and on 9/21, she received \$209.38 gross.  $\$218.75 + \$209.38 = \$428.13$ . Divide by 2 (number of pay periods received and used) =  $\$214.065$ , rounded to  $\$214.07$  (average income). Convert to a monthly amount by multiplying  $\$214.07$  by 2.15 =  $\$460.2505$ , rounded to  $\$460.25$ . This is the gross monthly income.

E. Determine Eligibility

Compare the total countable income for the pregnant woman's MAGI household member to the appropriate family size on the Presumptive Medicaid Income Limits Chart in F. below.

1. If countable income is equal to or below the income limit for the appropriate family size, the pregnant woman is presumptively eligible.
2. If the countable income is greater than the income for the appropriate family size by any amount, the pregnant woman is ineligible for presumptive coverage.

Refer to VIII, Provider Instructions for Approving/Denying Eligibility for additional information on the necessary forms.

F. Presumptive Medicaid Income Limit Chart

Monthly Poverty Income Level	Effective 4/1/14
NUMBER IN FAMILY	196% of the Federal Poverty Level
2	\$2,570
3	\$3,233
4	\$3,896
5	\$4,559
6	\$5,222
7	\$5,885
8	\$6,549

For each additional family unit member, add \$664

Use income limits in effect 1/1/14 for applications taken prior to 4/1/14

V. EXAMPLES

- A. Anna (age 25) lives with her husband, Rudy (age 26). They are expecting their first child. Anna states that she is only expecting one child and that they both expect to file a joint tax return for the current year. Neither expects to be claimed as a tax dependent.

Family's financial situation:

**\$750/month gross income – Anna's earned wages**  
**\$2000/month gross income – Rudy's earned wages**

**Anna's countable income**  
 Monthly gross \$2750.00 (\$750 + \$2000)

Medicaid Household	Anna	Rudy	Family Size	Countable Income
Anna	X + 1	X	3	\$2750

Anna is presumptively eligible for MPW since her countable income of \$2750 is less than the income limit of \$3233 for a family size of 3.

- B. Sandy (age 45), her husband, Ben, (age 46), and their pregnant daughter, Samantha (age 17), are in the household. Sandy, Ben, and Samantha do not expect to file taxes nor be claimed as tax dependents. Samantha is pregnant with twins.

Family's financial situation:

**\$1200/month gross income – Sandy's Social Security benefits**  
**\$250/month gross income – Ben's veteran's benefits**  
**\$200/month gross income – Samantha's income from babysitting**

**Anna's countable income**  
Monthly gross \$1200

Medicaid Household	Samantha	Sandy	Ben	Family Size	Countable Income
Samantha	X + 2	X	X	5	\$1200

Samantha is presumptively eligible for MPW since her countable income of \$1200 is less than the income limit of \$5,222 for a family size of 5.

## VI. PROVIDER INSTRUCTIONS FOR APPROVING/DENYING ELIGIBILITY

- A. Complete the DMA-5032, Presumptive Eligibility Determination form, according to instructions on back of form.
- B. Complete the DMA-5034, Presumptive Eligibility Income Checklist to help determine total gross income, the number in the household, and poverty income limit.
- C. Complete the DMA-5033, Presumptive Eligibility Transmittal Form.
- D. The provider must send the DMA-5032, the DMA-5033 and the DMA-5034 to the DSS within five business days if the applicant is deemed presumptively eligible.

Send originals to the DSS of the county in which the applicant resides. Retain one copy for your files and give the beneficiary a copy

- E. If the applicant is determined ineligible for presumptive eligibility, complete 2 copies of the DMA-5035. Give the original to the applicant and keep the other copy for your file.
- F. Document ineligibility on the DMA-5032 and file in your records with a copy of the denial form. Do not send any copies to the DSS. Do not give a copy to the applicant.

The individual should be encouraged to apply for other Medicaid programs through [ePASS](#) or at the local county dss office.

## VII. PRESUMPTIVE ELIGIBILITY PERIOD

Presumptive eligibility period begins on the day the pregnant woman is determined presumptively eligible by the provider, and,



Ends on one of the following dates, depending on whether a regular Medicaid application is made:

1. On the day the county dss makes an eligibility determination if the woman applies for Medicaid, or
2. On the last day of the month following the month the pregnant woman is determined presumptively eligible by the provider if she does not apply for Medicaid by that date.

### **VIII. APPEAL RIGHTS**

There are no appeal rights for presumptive eligibility.

If you have any questions regarding this information, please contact the Division of Medical Assistance at (919) 855-4000.

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(This material was researched and written by Christine Coffey, Policy Consultant, Medicaid Eligibility Unit.)